

9 Housing

Introduction

As part of the General Plan, the Housing Element specifically addresses affordable housing needs in Murray City. The Element addresses statutory requirements as well as overall community interests in this critical and important issue. The Element addresses the range of housing options that are needed or should be available in the community including:

- price ranges (affordable, moderate, and upper-income);
- product types (apartments, condominiums, single-family, etc.);
- special needs housing (homeless, housing for the disabled, elderly housing, etc.); and
- neighborhood issues (such as zoning and associated density).

The Element is intended to broadly address current conditions of the housing stock and the housing market in Murray and meet specific requirements for moderate-income housing planning included in state law.

Purpose

The State of Utah recognizes in Section 10-9-307 of Utah Code that the availability of moderate-income housing is a statewide concern, and it requires municipalities to propose a plan for moderate-income housing as part of a general plan. “Moderate-income housing” is defined as housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80 percent of the median gross income of the metropolitan statistical area (MSA) for households of the same size. In the Salt Lake City - Ogden MSA, the median income for a household of four is \$57,200. Moderate-income housing, then, will apply to a household of four with an annual income of \$45,750.

The spirit of the statute is to ensure that people who desire to live in the City of Murray should not be unable to do so simply because they earn a moderate level of income. Rather, people should expect the City to offer a *reasonable opportunity* to a variety of housing which is located throughout the community. With such an opportunity, people with moderate incomes are allowed to benefit from and to fully participate in all aspects of neighborhood and community life.

In this analysis, “reasonable opportunity to a variety of housing” is assessed using three criteria: in comparison to like-sized communities; in comparison to Salt Lake County as a whole; and through an analysis of the current demand in the City.

The housing analysis carefully follows the scope laid out by the City of Murray to fulfill its obligations under Section 10-9-307 of Utah Code. Specifically, compliance with Section 10-9-307 requires the City to plan for moderate-income housing with an estimate of current supply and future need for moderate-income housing in the next five years. A survey of total residential zoning has been completed in order to evaluate how current zoning may influence or impede affordable housing. Also, the options for current programs to encourage an appropriate mix of housing are presented with recommendations for future policies needed to meet the requirements of the statute.

The analysis demonstrates with housing and income data that Murray meets the obligations for affordability under Section 10-9-307 of Utah Code, and meets the requirements set forth in the spirit of the statute. However, given the age of the City’s housing stock and the likelihood of escalating land costs in the future, the analysis recommends expanding current rehabilitation programs and single-family housing assistance

for moderate-income families throughout the community. It also recommends programs to continue the important role of multi-family housing in the mix of alternatives available to residents. Finally, it investigates the factors that influence and impede the construction and development of moderate-income housing.

It is important to keep in mind that Section 10-9-307 does not define the total scope of housing planning efforts needed by Murray, or any other city. A community must address the needs of all of its residents. Currently, approximately 28 percent of Murray’s households have an income below \$34,320 (60 percent of AMI for a household of four). Murray’s general plan should take into account the needs of these residents as well. This study also provides information about these residents, what housing stock is available to them, and what their future needs will be.

Methodology

Data

The analysis and recommendations are based on both demographic data and current market conditions. The majority of the data used in the analysis comes from public sources. Base data from the 2000 U.S. Census was updated with various sources. The population figures were updated using the Wasatch Front Regional Council’s population projections. Housing data was updated using building permit information from the Bureau of Economic and Business Research.

Information for current market conditions is based upon data provided by public and private sources. The assessed property values and computed taxes were provided by the Salt Lake County Assessor’s office. Wasatch Front Multiple Listing Service provided housing values for residential properties sold from April 30, 2001 to May 5, 2002. Information for the rental market is compiled from two sources: EquiMark Properties provided rental information specific to rental units in Murray, and the Apartment Association of Utah provided historical rental information for the County.

Layout of the Housing Element

As noted above, this section addresses the requirements of Section 10-9-307 of Utah Code regarding the need for communities to provide moderate-income housing. The section first analyzes income levels for the area, and determines what level of housing costs would be affordable to Murray residents at various income levels. It then discusses income and population demographics of the City of Murray, and then summarizes the current housing inventory and market prices.

A comparison of housing options currently available in Murray with housing options required by Section 10-9-307 of Utah Code shows that the City is fulfilling its obligations for affordability under the statute. There is concern, however, that current housing costs could outpace income growth. If this occurs, Murray may then be in danger of not fulfilling the statute’s requirements; this section therefore examines possible regulatory barriers to affordability in addition to the available housing programs that may help reach affordability targets.

Although the City is fulfilling its obligations for affordability under Section 10-9-307, its housing stock is already at or beyond the limits of affordability for those residents making less than 60 percent of area median income. This section suggests ways that Murray could increase its ability to meet the needs of these residents through use of available housing programs.

Affordability Analysis

Household Income

Section 10-9-307 of Utah Code sets out an expectation for the establishment of a plan for moderate-income housing. It defines moderate-income housing as “housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income of the metropolitan statistical area for households of the same size.” The U.S. Department of Housing and Urban Development (HUD) and the Utah Housing Corporation use three other benchmarks in their housing programs. These are: 60 percent of MSA median income (also known as area median income (AMI)), 50 percent of AMI, and 30 percent of AMI.

Table 1 shows the incomes of households at moderate income and below, distinguished by household size. The table also exhibits housing payments that would be affordable at the given income levels.

Table 9-1
Income Limits and Affordable Housing Payments by Household Size
FY 2002, Salt Lake City - Ogden MSA

Household Size	Affordable Payment at Income Level	80% of AMI	60% of AMI	50% of AMI	30% of AMI
1	Income Levels	\$32,050	\$24,000	\$20,000	\$12,000
	Affordable Payment	\$692	\$491	\$391	\$191
2	Income Levels	\$36,600	\$27,480	\$22,900	\$13,750
	Affordable Payment	\$806	\$578	\$464	\$235
3	Income Levels	\$41,200	\$30,900	\$25,750	\$15,450
	Affordable Payment	\$921	\$664	\$535	\$277
4	Income Levels	\$45,750	\$34,320	\$28,600	\$17,150
	Affordable Payment	\$1,035	\$749	\$606	\$320
5	Income Levels	\$49,400	\$36,960	\$30,900	\$18,550
	Affordable Payment	\$1,126	\$815	\$664	\$355
6	Income Levels	\$53,100	\$39,840	\$33,200	\$19,900
	Affordable Payment	\$1,219	\$887	\$721	\$389
7	Income Levels	\$56,750	\$42,540	\$35,450	\$21,300
	Affordable Payment	\$1,310	\$955	\$777	\$424
8	Income Levels	\$60,400	\$45,300	\$37,750	\$22,650
	Affordable Payment	\$1,401	\$1,024	\$835	\$457
Source: HUD, UHC, & Wikstrom Economic & Planning Consultants, Inc. Note: Affordable housing costs are calculated as 30 percent of monthly income less \$108.94 for utility expenses.					

Household size will affect the income level applicable under the 80 percent of median household income requirement of Section 10-9-307 of Utah Code. For purposes of analysis, the base figure of \$45,750 gross annual income -- the income for a household of four -- is used throughout the housing analysis as moderate income.

Housing

Analysis of Affordability Targets for Rental and Ownership Options

The established figure of \$45,750 is used to define moderate incomes when assessing available housing options and for later analysis. Typically, total monthly housing costs should not exceed 30 percent of

monthly income. With this basic guideline, the maximum monthly housing cost outlay is \$1,144 including utility payments. Based on average utility payments to Questar of \$56.75 per month, and to Murray City Power of \$52.19 per month, an expected utility bill of \$108.94 per month is subtracted from the maximum monthly housing payment; thus, the maximum monthly housing payment for a moderate-income household is \$1,035.

Single-Family Housing Options - A maximum mortgage payment of \$1,035 will allow, based on a 30-year term at 6.8 percent and including five percent down, the purchase of a lot and house for no more than \$168,032.

Multi-family Housing Options - The affordability guidelines established above provide a commonly used benchmark for determining acceptable rents. HUD and the Utah Housing Corporation (UHC) (formerly the Utah Housing Finance Agency) have established maximum rents for subsidized housing programs. These are summarized below in Table 2. The permitted rent levels also include utility costs, except telephones. HUD Fair Market Rents (FMR's) determine the eligibility of rental housing units for the Section 8 Housing Assistance Payments program. Program participants cannot rent units whose rents exceed the FMR's. FMR's also serve as payment standards used to calculate subsidies under the Rental Voucher program. UHC similarly established sliding scale FMR's for their housing assistance programs such as the Low Income Housing Tax Credit Program; these rents vary with income levels. For both the HUD and UHC programs, apartments must be of an appropriate size for the household; for example, a family of four would not be allowed to rent a studio apartment.

Table 9-2
Maximum Permitted Rent Levels, 2002
Including Utility Allowance, by Number of Bedrooms

SL City - Ogden MSA: AMI	0 Bdrm (studio)	1 Bdrms	2 Bdrms	3 Bdrms	4 Bdrms
HUD Fair Market Rents	\$490	\$568	\$721	\$1,003	\$1,175
Utah Housing Corporation Fair Market Rents					
80% AMI	\$800	\$858	\$1,030	\$1,189	\$1,328
60% AMI Program Maximum	\$600	\$644	\$773	\$891	\$996
50% AMI	\$500	\$536	\$644	\$743	\$830
30% AMI	\$300	\$322	\$386	\$446	\$498
Source: UHC; Wikstrom Economic & Planning Consultants, Inc. Note: The rents established by UHC are set for program-qualifying income levels at 50% and 60% of AMI. Rent calculations for 80% and 30% of AMI have been estimated and are proportional to those at 50% and 60% of AMI.					

Therefore, in evaluating the existing housing supply that is accessible to moderate-income four-person households in Murray, a maximum home price of \$168,063 is used along with rental figures as listed above by the Utah Housing Corporation. For example, to meet minimum requirements for moderate-incomes, the rent on a two-bedroom apartment should not exceed \$1,030 per month, including utilities.

Murray Demographic Information

The basic population and income demographic data for Murray reveal that the need for moderate-income housing across the City of Murray is fairly low; low-income housing, however, is less available.

Income

In 1989 the median household income in Murray was \$41,978 adjusted to 2002 dollars. The 2000 Census reported Murray’s 1999 median household income as \$49,180, also adjusted to 2002 dollars. It is thus apparent that Murray’s median income has grown faster than inflation at an average annual growth rate (AAGR) of 1.6 percent. According to the Utah State Tax Commission Murray’s *median* household income has grown at an AAGR of 2.2 percent from 1996 to 1999. Meanwhile the mean household income has grown at a faster rate of 3.4 percent over the same period¹. These numbers show that for the less well-to-do households in Murray (the 50 percent below median income), income growth has not kept pace with the income growth of those in the upper fiftieth percentile. Some higher-income households, therefore, must be seeing a significant growth in income to account for the higher *average or mean* growth rate.

To more clearly describe the quantity of Murray citizens specifically affected by Section 10-9-307, the table below demonstrates from 12,673 households the general spread of median household incomes. The information in Table 3 implies that an estimated 43 percent of Murray’s households have incomes below \$45,750, the moderate-income level for a four-person household.

State and federal public assistance programs generally target the range of population falling below the 60 percent of median household income, representing 28 percent of all households. This data would suggest that approximately 15.4 percent of the citizens of Murray fall into the 60-80 percent range of median household income. This group will be the most affected by the City’s efforts to provide moderate-income housing, for they are presently without the program assistance now required under Section 10-9-307 of Utah Code; they are too “well off” to receive state and federal assistance, but continue to struggle to live up to the area’s median standards.²

Table 9-3
Range of Household Incomes, 2002*

AMI	30% or less	31% to 50%	51% to 60%	61% to 80%	>80%	Total
Range:	\$17,150 or less	\$17,151 to \$28,600	\$28,601 to \$34,320	\$34,321 to \$45,750	\$45,751 or Greater	
Number of Households	1,287	1,424	801	1,950	7,211	12,673
Percent of Total	10.2%	11.2%	6.3%	15.4 %	56.9%	100.0%
Source: Utah Affordable Housing Model; Wikstrom Economic & Planning Consultants, Inc.						
*Note: The breakdown by percentage of AMI is based on 2002 HUD and UHC income figures for four-member households. The percentage is then applied to the U.S. 2000 census figure for total number of households.						

¹ The difference between a median value and mean (average) value is how it is calculated. A median is the value that is at the midpoint in a list of numbers; half of values in the list are greater than that value and half are less. The mean is what is typically called an average. The mean is the value that is equal to the sum of a list of values divided by the numbers of values in the list. The median can be more reflective of what is happening. An average can at times be skewed if there is a small percentage of the values that are extreme high or low values.

² The percentage of households that fall between the 60 percent and 80 percent of AMI for federal programs may be slightly different, since federal programs take into account household size as well as income. Because of existing data limitations for Murray, we assume that a household consists of four persons; the actual number may be greater or smaller.

As mentioned earlier, 43.1 percent of the Murray households have incomes below \$45,750. According to the 2000 Census, almost half of this population, or 46 percent were paying more than 30 percent of their income towards housing cost. The table below outlines the households in non-affordable housing by tenure. The table shows that there is an implied inverse relationship between income levels and the percentage of income that is used for housing costs; as income levels drop, a greater percentage of the population pay more of their income for housing.

This is especially true for households that earn 30 percent or less of AMI. The households at this income level represent 10 percent of all Murray households. More than half of these households (74%) live in housing that is not considered affordable. Due to the low-income levels for this group and the greater burden of housing expenses, this population is most at risk of homelessness.

Housing is less affordable for owners than for renters as would be expected. A comparison of tenure populations by income levels for those with incomes below 80% AMI reflects that a higher percentage of owners spend more of their income for housing costs than their renter counterparts. As Table 9-4 shows, over half of these homeowners (54.6%) use 30% or more of their income for housing whereas 43.6% of those that rent pay the same percentage of their income as housing costs. This may be caused by people overextending themselves in order to become homeowners.

Table 9-4
Households Paying More Than 30% of Income for Housing Costs, by Tenure

Income Level by Tenure	% of Total Households, 1999	Percentage of Paying 30% or More of Income for Housing Costs, 1999	2000 Estimated Number of Households		
			Total Households	Paying 30% or More	Paying less than 30%
80% of AMI					
Owner Occupied	58.1%	28.1%	1,563	439	1,124
Renter Occupied	41.9%	39.3%	1,128	443	685
50% of AMI					
Owner Occupied	51.7%	63.3%	765	484	281
Renter Occupied	48.3%	43.6%	716	312	404
30% of AMI					
Owner Occupied	49.2%	92.2%	625	576	49
Renter Occupied	50.8%	56.0%	644	361	283
Total Households at 80% or below AMI					
Total Households	100.0%	46.0%	5,441	2,503	2,938
Owner Occupied	54.3%	54.6%	2,953	1,612	1,341
Renter Occupied	45.7%	43.6%	2,488	1,085	1,403
Source: 2000 U.S. Census; Utah Affordable Housing Model; Wikstrom Economic & Planning Consultants, Inc.					

Who are these citizens that have incomes below the moderate-income level? It is easy, when discussing different wage categories, to forget which people those categories include. The following table shows some sample salaries earned by people in various occupations in the Salt Lake City - Ogden MSA, and defines housing costs that would be considered to be affordable to the wage earner:

Table 9-5
Affordable Housing Costs for Workers in Selected Occupations
2000, Salt Lake City - Ogden MSA

Job Title	Average (mean) Annual Wages (% of AMI)	Affordable Housing Costs per Month*
Police Officers	\$36,000 (62.9%)	\$900
Teachers, Elementary School	\$35,100 (61.4%)	\$878
Carpenters	\$31,220 (54.6%)	\$781
Licensed Practical Nurse	\$28,440 (49.7%)	\$711
Travel Agents	\$26,390 (46.1%)	\$659
Janitor	\$18,240 (31.9%)	\$456
Source: Bureau of Labor Statistics, Wikstrom Economic & Planning Consultants, Inc. *Note: Assumes one wage-earner per household.		

As table9-5 shows, many people with what most people think of as “good jobs” would have a hard time finding appropriate and affordable housing, particularly if they are trying to support a family on one income.

Another way of looking at need is to evaluate the poverty status of Murray residents. When the 2000 Census was conducted, poverty status was determined for both families and individuals. This helps to identify those most vulnerable in the population. In Murray, 6.3 percent of individuals and 5.5 percent of families fall below a level of poverty established by family size.³ These numbers are down from the 1990 Census when just over eight percent of individuals and 5.9 percent of families fell below the poverty level. In 1999, the poverty threshold ranged from \$8,501 for a family unit of one to \$17,029 for a family unit of four.

In Murray, a total of 845 households fall below the poverty level. Just over one third of these households live in *owner occupied* housing units. Nearly 81 percent of the poorest households have children under the age of 18, and 57.3 percent under the age of five. Of the 2,125 individuals living in these homes, 32.1 percent are children 17 years and under; 16.6 percent are children under five; and 7.6 percent are 65 years-old or over. Persons 65 years-old or over constitute 20 percent of the householders in the city; however, a lower percentage, 5.7 percent, of senior-run households live in poverty.

Population

In 2000, the City of Murray had a total population of 34,024 people. The estimated 2002 population is 44,787⁴. This includes the six recently annexed areas on the east side of Murray. All of the annexations have been approved and will all have come into effect by January 1, 2003.

It is estimated that Murray will have a population of 49,246 by the year 2010 (see the table below). Murray is predicted to grow somewhat slower than Salt Lake County through 2010 with a 2003-2010 average

³ The income cutoffs used by the Census Bureau to determine the poverty status of families and unrelated individuals included a set of 49 thresholds arranged in a two-dimensional matrix consisting of family size cross-classified by presence and number of family under 18 years-old.

⁴ Calculated using the Census 2000 population and the 2000 - 2005 average annual growth rate in the Wasatch Front Regional Council's May 2000 and July 2001 population projections.

annual growth rate (AAGR) of 1.43 percent (excluding growth by annexation) compared to the County's 2.26 percent. Murray's growth will slow considerably from 2010 to 2020 with an AAGR of .44 percent while the County will slow only mildly with an AAGR of 1.75 percent.

Table 9-6 shows the projected population of Murray for the near future. The projections were made by applying WFRC growth rates to the 2000 population according to the U.S. Census. The populations of the new annexation areas were added to the 2002 population.

Table 9-6
Murray Population Projections 2002-2020

	2002	2003	2004	2005	2010	2020
Including all new annexations	44,787	45,137	45,490	45,833	49,246	51,448
Source: U.S. Census, Wasatch Front Regional Council, Wikstrom Economic & Planning Consultants, Inc.						

Murray's population growth will slow in the future because there is limited availability of land for new development, with the exception of the smelter site, located between 5100 and 5300 South, west of State Street. However, this site cannot accommodate housing due to EPA restrictions. As of June 2002 it is estimated that there remains only 122.3 acres of land on which to build residential structures in Murray⁵. If an average density of 6 units per acre is assumed, this translates into an additional 734 units of housing that can be built in Murray. This will result in a maximum increase in population of 2,377 persons assuming an average household size of 3.24, which, according to the Census, was the average family size in 2000. If Murray continues to build an average of 159 units of housing per year as it has done over the past ten years, build-out will occur in 2008. Thus if Murray is to continue its population increase past this decade it will be by building higher density housing in the place of existing structures.

The following sections on housing will seek to understand if the current and projected supply of residential units will keep pace with the population growth and affordability demands of the community.

Supply of Housing in Murray

The supply of residential housing in Murray is described by structural characteristics, by occupancy, and by age of housing stock.

Housing Units and Occupancy

Within Murray's current boundaries there are a total of 15,369 housing units as of May 2002. This inventory updates the 2000 U.S. Census total of 13,327 by subtracting 34 demolitions, and by adding the 286 building permits which have been authorized for new housing unit construction since April of 2000. In addition, 1,790 housing units were added by the most recent annexations. The Wheeler Farms and Cottonwood annexations will add another 463 and 1,377 housing units respectively, for a grand total of 17,209 housing units.

A descriptive breakdown of Murray's housing is provided in Table 9-7, listing units by their structural characteristics and occupancy type. Note that totals do not include the new units because their occupancy status could not be determined. The data demonstrate that in Murray, 62.2 percent of all housing units are single-family units (detached and attached) and 37.8 percent are multi-family, mobile home units and other

⁵ Available land was identified as land that fell within agricultural, open space, or single and multiple unit residential zones and that was not part of a park or an easement.

units. With such a ratio of single-family to multi-family units (62:38), Murray’s ratio is lower than the Salt Lake County ratio as a whole, which has a single to multi-family unit ratio of 70:30.

Table 9-7
Occupied Housing Units in Murray, 2000
by Tenure and Number of Units

Type	Owner Occupied	Renter Occupied	Vacant	Total
Single Family	7,186 units 89.5% of Type (occupied units)	843 units 10.5% of Type (occupied units)	250 units	8,279 units
2 to 4 Units	211 units 25.8% of Type (occupied units)	606 units 74.2% of Type (occupied units)	77 units	894 units
5 to 9 Units	365 units 37.0% of Type (occupied units)	621 units 63.0% of Type (occupied units)	61 units	1,047 units
10 or more Units	276 units 11.9% of Type (occupied units)	2,052 units 88.1% of Type (occupied units)	224 units	2,552 units
Mobile Home & Other	435 units 88.1% of Type (occupied units)	59 units 11.9% of Type (occupied units)	43 units	537 units
All Units	8,473 units 67.0% of All Occupied Units	4,181 units 33.0% of All Occupied Units	655 units	13,309 units
Percentage of Unit Type by Tenure				
Single Family	84.8%	20.2%	38.2%	62.2%
2 to 4 Units	2.5%	14.5%	11.8%	6.7%
5 to 9 Units	4.3%	14.9%	9.3%	7.9%
10 or more Units	3.3%	49.1%	34.2%	19.2%
Mobile Home & Other	5.1%	1.4%	6.6%	4.0%
All Units	100.0%	100.0%	100.0%	100.0%
Source: U.S. Bureau of the Census; Wikstrom Economic & Planning Consultants, Inc. *Note: These are ONLY occupied housing units.				

Table 9-8 below shows the differences between Murray and its three neighbors, Midvale City, Taylorsville, and Holladay. Murray has a lower ratio of single to multi-family housing than the County and its neighbors, but Murray remains slightly lower in density than the City of Midvale.

Table 9-8
Type and Occupancy Comparisons -- Percentage of All Housing Units, 2000
Murray, Salt Lake County, Midvale, Taylorsville, and Holladay

	Murray	Salt Lake County	Midvale	Taylorsville	Holladay
Single Family Units, % of Total	62.2%	69.7%	51.2%	68.5%	81.5%
Multifamily Units, % of Total	37.7%	30.2%	48.8%	31.4%	18.5%
Owner Occupied Units, % of Total	63.4%	65.5%	45.2%	70.3%	78.2%
Renter Occupied Units, % of Total	31.7%	29.4%	48.8%	27.4%	17.3%
Vacant Units, % of Total	4.9%	5.1%	6.0%	2.3%	4.5%
Source: U.S. Bureau of the Census; Wikstrom Economic & Planning Consultants, Inc. Note: 1) Percents will not add up to 100 because of the “other” category of structural units.					

Similarly, Table 9-8 shows that, with the exception of the City of Midvale, Murray has fewer owner occupants than its neighbors and the County. Also, housing in Murray is in demand as noted by the low vacancy rate in comparison to its neighbors and to Salt Lake County.

Table 9-9 below looks at housing tenure by race:

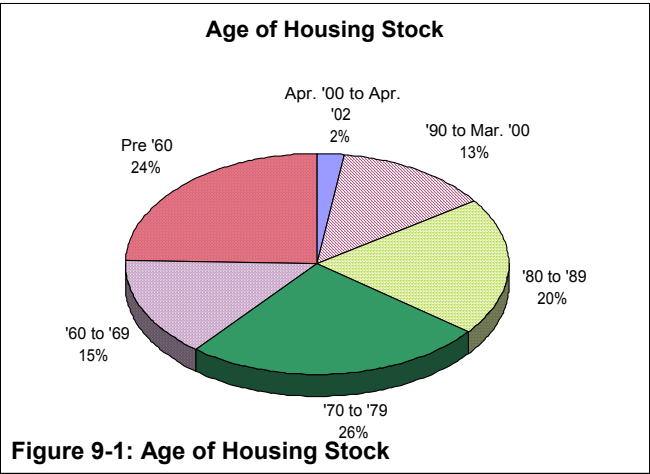
Table 9-9
Tenure by Race, Murray City, 2000

	% of Race			% of Occupied Housing Units by Race	
	Owner Occupied	Renter Occupied	% Total Households	Owner Occupied	Renter Occupied
White	95.87%	88.99%	93.58%	68.29%	31.71%
Non-White	4.13%	11.01%	6.42%	42.87%	57.13%
Black	0.47%	2.06%	1.00%	31.50%	68.50%
American Indian/Eskimo	0.22%	0.90%	0.45%	33.33%	66.67%
Asian/Pacific Islander	1.66%	1.66%	1.66%	66.67%	33.33%
Other	1.78%	6.39%	3.31%	35.71%	64.29%
Total Households	8,448	4,225	12,673	66.66%	33.34%
Percentage of Hispanic Origin	8.53%	10.25%	9.11%	62.48%	37.52%
Source: U.S. Bureau of the Census; Wikstrom Economic & Planning Consultants, Inc. Note: 1) Percentages will not total 100 percent because data is by race only, not including peoples of Hispanic origin.					

The basic examination of occupancy by race reveals that in Murray whites are more likely to own their own homes than are minorities. Note for example, that 66.7 percent of the American Indian/Eskimo population rent, whereas, 68.3 percent of the white householders are in owner occupied housing units.

Age of Housing Units

There seems to be a good mixture of housing in Murray in terms of age of housing stock. Figure 9-1 to the right reflects the nature of housing in the City. Almost half of Murray’s housing was constructed



during the 1970s and 1980s. A quarter of the total housing stock is more than 42 years old, while 15 percent of the housing stock has been constructed since 1990.

Recent Trends in Construction

Single and Multi-family Construction

The data on permit-authorized construction in Murray presents a picture of change occurring in the City in the last 10 years. Table 9-10 below shows a 173-unit peak of new construction for single-family housing in 1995. Single-family construction tapered off in 1996 and 1997, with only 57 housing units constructed in 1997. However, the city did experience a spurt of multi-family housing construction in 1996. In 1998, construction picked up and continued to increase through 2000 when the number of single-family and multi-family units constructed peaked again with 203 single-family units and 241 multi-family units constructed. Construction dropped off significantly in 2001 when only 64 total units were constructed. Construction in Murray has been slow to recover so far in 2002. As of June 2002, a total of 27 units were permitted, significantly lower than in past years.

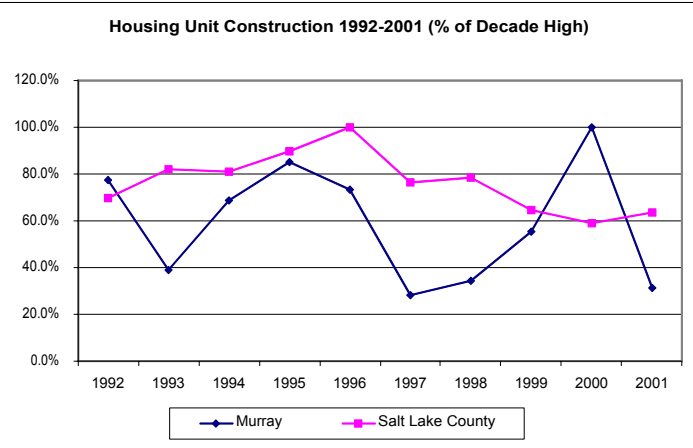


Figure 9-2: Housing Construction 1992-2001

Table 9-11
Building Permits Issued for Housing Units, Salt Lake County
Totals and Percent Change from Prior Year (1992-2001)

Year	Single Family Units		Duplex Dwellings		Multi-Family Units		Mobile/Manufactured		Total Constructed Units	
	Permitted	% Change from Prior Year	Permitted	% Change from Prior Year	Permitted	% Change from Prior Year	Permitted	% Change from Prior Year	Permitted	% Change from Prior Year
1992	3,831		34		129		174		4,168	
1993	4,510	17.7%	74	117.6%	1,552	1103.1%	157	-9.8%	6,293	51.0%
1994	4,447	-1.4%	70	-5.4%	1,305	-15.9%	192	22.3%	6,014	-4.4%
1995	4,909	10.4%	164	134.3%	2,392	83.3%	169	-12.0%	7,634	26.9%
1996	5,483	11.7%	128	-22.0%	2,758	15.3%	110	-34.9%	8,479	11.1%
1997	4,178	-23.8%	112	-12.5%	1,229	-55.4%	217	97.3%	5,736	-32.4%
1998	4,312	3.2%	116	3.6%	1,820	48.1%	168	-22.6%	6,416	11.9%
1999	3,555	-17.6%	100	-13.8%	1,495	-17.9%	136	-19.0%	5,286	-17.6%
2000	3,238	-8.9%	80	-20.0%	1,263	-15.5%	85	-37.5%	4,666	-11.7%
2001	3,493	7.9%	104	30.0%	1,767	39.9%	65	-23.5%	5,429	16.4%
Total	41,956		982		15,710		1,473		60,121	

Source: Wikstrom Economic & Planning Consultants, Inc., Bureau of Economic & Business Research

A combination of data from the above two tables is represented in Table 9-12 below to illustrate the City’s new residential construction in proportion to that of Salt Lake County. As the City becomes more built out and other communities continue to grow, Murray’s portion of the County’s total new construction slowly diminishes.

Table 9-10
Building Permits Issued for Housing Units, City of Murray
Totals and Percent Change from Prior Year (1992-2001)

Year	Single Family Units		Duplex Dwellings		Multi-Family Units		Mobile/Manufactured		Total Constructed Units	
	Permitted	% Change from Prior Year	Permitted	% Change from Prior Year	Permitted	% Change from Prior Year	Permitted	% Change from Prior Year	Permitted	% Change from Prior Year
1992	157		0		0		0		157	
1993	79	-50.0%	0	NA	0	NA	0	NA	79	-50.0%
1994	137	75.9%	0	NA	0	NA	0	NA	137	77.2%
1995	173	24.5%	0	NA	0	NA	0	NA	173	23.6%
1996	149	-13.9%	2	NA	132	NA	0	NA	283	63.6%
1997	57	-61.7%	0	NA	4	-97.0%	0	NA	61	-78.4%
1998	70	22.8%	0	NA	4	0.0%	2	NA	76	24.6%
1999	112	60.0%	0	NA	0	NA	1	-50.0%	113	48.7%
2000	203	81.3%	2	NA	241	NA	0	NA	446	294.7%
2001	63	-69.0%	0	NA	0	-100.0%	1	NA	64	-85.7%
Total	1,203		4		381		4		1,589	

Source: Wikstrom Economic & Planning Consultants, Inc., Bureau of Economic & Business Research

Table 9-11 below summarizes the building permits issued in Salt Lake County. The comparison is meant to detect whether Murray’s rates of construction diverge from or are consistent with the rates of the County. Indeed, the County also peaked and declined from 1994 to 1997, as did Murray City. As shown by figure 9-2 however, Murray’s second peak in 2000 was not matched by the County.

Table 9-12
Murray Building Permits as Percent of County (1992-2001)

	Single-family Dwelling Units	Duplex Dwelling Units	Multi-Family Dwelling Units	Mobile/Manufactured Units	Total Constructed Units
1992	4.1%	0.0%	0.0%	0.0%	3.8%
1993	1.8%	0.0%	0.0%	0.0%	1.3%
1994	3.1%	0.0%	0.0%	0.0%	2.3%
1995	3.5%	0.0%	0.0%	0.0%	2.3%
1996	2.7%	1.6%	4.8%	0.0%	3.3%
1997	1.4%	0.0%	0.3%	0.0%	1.1%
1998	1.6%	0.0%	0.2%	1.2%	1.2%
1999	3.2%	0.0%	0.0%	0.7%	2.1%
2000	6.3%	2.5%	19.1%	0.0%	9.6%
2001	1.8%	0.0%	0.0%	1.5%	1.2%
Total	2.9%	0.4%	2.4%	0.3%	2.6%

Source: Wikstrom Economic & Planning Consultants, Inc., Bureau of Economic & Business Research.

To summarize the housing supply, the construction of new residential housing units has been primarily single-family housing. In fact, 75.5 percent of all residential construction in Murray over the past decade has been single-family. Considering the fact that only 27 new housing construction permits had been issued by June of 2002, it would seem that Murray is slowing its average construction pace of 159 residential permits per year, most probably due to a limited amount of developable land in the city. This will likely remain the case in the foreseeable future, as land becomes scarcer. Because of the scarcity of land, future growth will likely require the development of higher density projects.

Costs of Housing in Murray

Does current supply meet the guidelines for affordability under Section 10-9-307 of Utah Code? The following section can now begin answering this question with an analysis of the costs of housing in Murray.

Property Values

Assessed Property Values

The property base of the City of Murray is fairly mixed. Of the City’s total commercial, industrial, public and residential properties, residential properties form 62.1 percent of the total market value, and 47.5 percent of the total taxable value. Many neighboring communities have a higher reliance on their residential properties. Note that these figures do not include the recent annexations, as the data was not yet available from Salt Lake County. In actuality, the percentage of total market value formed by residential properties is higher than given above. And it will continue to increase due to the recent annexations being comprised mostly of residential land.

Table 9-13
Assessed Property Values
Murray, 2002

	MARKET		TAXABLE		AREA	
	value	% of total	value	% of total	acres	% of total
Residential	\$2,040,067,700	60.3%	\$1,113,994,845	50.9%	269,164	50.1%
Industrial	139,952,900	4.1%	135,570,643	6.2%	23,756	4.4%
Commercial	184,929,300	5.5%	141,874,403	6.5%	37,075	6.9%
Retail	341,418,800	10.1%	333,605,005	15.2%	32,669	6.1%
Office	296,921,320	8.8%	288,949,983	13.2%	17,859	3.3%
Warehouse	98,186,120	2.9%	96,796,601	4.4%	20,918	3.9%
Vacant Residential	21,962,310	0.6%	13,245,101	0.6%	23,282	4.3%
Vacant Commercial	41,121,650	1.2%	41,004,233	1.9%	13,059	2.4%
Vacant Industrial	20,001,200	0.6%	19,897,475	0.9%	10,396	1.9%
Other	196,678,520	5.8%	5,142,935	0.2%	88,667	16.5%
TOTAL	3,381,239,820	100.0%	2,190,081,224	100.0%	536,845	100.0%
Source: Salt Lake County Assessor's Office; Wikstom Economic & Planning Consultant, Inc.						

Table 9-14 below demonstrates the distribution of residential property types. Single- family residences constitute more than 73 percent of total residential property value of Murray.

Table 9-14
Assessed Property Values
Murray, 2002

Property Type	Market Value		Taxable Value		Average Assessed Market Values
	Totals	% of Residential Total	Totals	% of City Total	
Single-Family	\$1,272,457,130	73.24%	\$701,241,700	34.84%	\$172,771
Duplex	\$9,558,200	0.55%	\$5,257,010	0.26%	\$162,003
3-4 Unit Apartments	\$8,304,980	0.48%	\$4,567,739	0.23%	\$197,738
5-9 Unit Apartments	\$4,331,380	0.25%	\$2,382,259	0.12%	\$360,948
10-19 Unit Apts.	\$11,378,370	0.66%	\$6,258,103	0.31%	\$541,827
20-49 Unit Apts.	\$13,434,750	0.77%	\$7,389,112	0.37%	\$1,492,750
50-98 Unit Apts.	\$10,292,250	0.59%	\$5,660,737	0.28%	\$3,430,750
99+ Unit Apts.	\$81,917,400	4.72%	\$45,054,570	2.24%	\$11,702,486
Mixed Apts.	\$1,811,700	0.10%	\$1,140,736	0.06%	\$603,900
Condominium Units	\$193,795,700	11.16%	\$106,587,635	5.30%	\$102,755
Condo/Aptmnts combin	\$245,800	0.01%	\$135,190	0.01%	\$245,800
Condo/Aptmnts combin	\$485,900	0.03%	\$267,245	0.01%	\$485,900
Condo/Aptmnts combin	\$4,876,800	0.28%	\$2,682,240	0.13%	\$50,800
Condominium Units 99+	\$20,279,600	1.17%	\$11,153,780	0.55%	\$62,591
Mobile Home RP	\$295,900	0.02%	\$162,745	0.01%	\$98,633
Planned Unit Devel.	\$73,283,680	4.22%	\$40,307,711	2.00%	\$183,209
Trailer Park	\$9,369,390	0.54%	\$5,375,464	0.27%	\$2,342,348
Res Improv. on Comm Land	\$17,954,310	1.03%	\$10,098,727	0.50%	\$156,124
Multiple Residential	\$2,286,770	0.13%	\$1,260,639	0.06%	\$228,677
Residential Total:	\$1,733,541,560	100.00%	\$955,385,257	46.98%	\$22,237,202
City Total Values:	\$2,796,843,180		\$2,012,906,871		
Source: Salt Lake County Assessors Office; Wikstrom Economic & Planning Consultants, Inc.					

Current Market Values

Single-Family Home Market

Of the 221 single-family homes sold in Murray from April 30, 2001 to May 5, 2002, prices ranged from a low of \$120,000 to a high of \$389,900. The median home price was \$160,000 and the average or mean home price was \$173,125.

Figure 9-3 demonstrates the range of prices for single-family homes sold in the last year. As is apparent from the curve of the graph, the bulk of units cost between \$120,000 and \$180,000. Seventy percent of homes sold, or a total of 154, fall into this range.

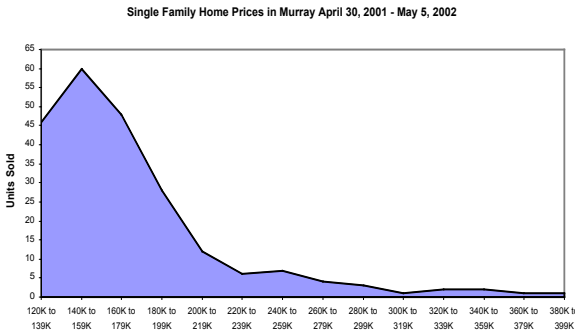


Figure 9-3: Single-Family Home Prices in Murray

Condominium Market

Of the 171 condominiums sold in Murray from April 30, 2001 to May 5, 2002, prices ranged from below \$50,000 to between \$240,000 and \$259,999. The average or mean price was \$106,671⁶. Figure 9-4 shows the distribution of home prices for condominiums sold in the last year.

Single-Family and Condominiums

Just over half of the homes sold last year in Murray, or 51.8 percent, fall within a price range that is affordable to those with household incomes between 60 and 80 percent of AMI⁷, while 25 percent of the homes sold cost more than \$168,032 and therefore would not be affordable to households earning 80 percent or less of AMI. All of the 91 homes sold that were affordable to households earning 50 percent or less of AMI were condominiums and only three were affordable to households earning 30 percent or less of AMI.

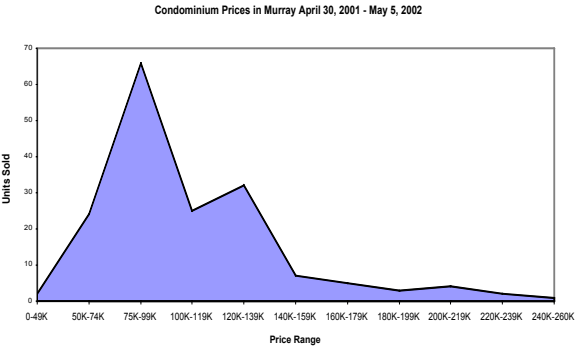


Figure 9-4: Condominium Prices in Murray

Table 9-15
Homes (Single Family and Condominiums) on the Market within Income Levels

Income Level	Home Value	% of Homes Sold, April 30, '01 - May 5, '02
80% of AMI	\$121,632 to \$168,032	44.40%
60% of AMI	\$98,413 to \$121,632	7.40%
50% of AMI	\$51,931 to \$98,412	22.40%
30% of AMI	Less than \$51,930	0.80%
Below 80% of AMI	Less or equal to \$168,032	75.00%
Above 80% of AMI	Greater than \$168,032	25.00%
Total		100.00%
Source: Wasatch Front MLS; Wikstrom Economic & Planning Consultants, Inc.		

While home prices appear competitive in the current market, they have experienced rapid price increases. The U.S. Census shows that the inflation adjusted (2002 dollars) median home value in Murray has increased from \$102,212 in 1990 to \$166,226 in 2000 at an average annual growth rate of 5.0 percent. According to the Wasatch Front Multiple Listing Service, the median home price in Murray of all homes sold between April 30, 2001 and May 5, 2002 was \$160,000. This rise in house prices could be problematic for the future of affordability, and will be discussed in relation to income changes over the same period after an analysis of trends in the rental market.

Multi-family Rental Market

There are two types of rental markets: the larger complexes (10 or more units per project) and smaller projects, ranging from the rental of single-family homes to eight-unit apartments. The survey of rental units is for rental projects with ten or more units per project.

⁶ The actual geographic area for these numbers is zip code 84107. Data specific to Murray City was not available for condominiums.

⁷ All but one of the single- family homes sold had at least two bedrooms and were therefore appropriate for a household of four. It is not clear how many of the condominiums were of an appropriate size for a household of four.

Table 9-16
Rental Units in Murray, 1998
Projects with Ten Units or More

	Total Units and Average Rents by Size				Units by Class as Percentage of Total Units, by Size		
	Overall	Class A	Class B	Class C	Class A	Class B	Class C
Total in Murray							
Number of Units	6,066	1,234	4,033	769	20.3%	66.5%	12.7%
Studio							
Rent	\$513	\$513	\$0	n/a			
Number of Units	2	2	0	0	100.0%	0.0%	0.0%
1 Bed./1 Bath							

Rent	\$539	\$589	\$532	\$480			
Number of Units	2,043	388	1,505	149	19.0%	73.7%	7.3%
2 Bed./1 Bath							
Rent	\$603	\$632	\$617	\$566			
Number of Units	1,918	202	1,105	582	10.5%	57.6%	30.3%
2 Bed./2 Bath							
Rent	\$626	\$660	\$615	na			
Number of Units	616	156	460	0	25.3%	74.7%	0.0%
3 Bed./2 Bath							
Rent	\$707	\$747	\$690	n/a			
Number of Units	1,054	316	738	0	30.0%	70.0%	0.0%
4 Bed./2 Bath							
Rent	\$801	\$892	\$747	\$713			
Number of Units	433	170	225	38	39.3%	52.0%	8.8%

Source: EquiMark Properties
The apartment classifications are subjective. The apartments are classified according to the amenities offered, the grade of fixtures and finishes in the complex. Class A projects generally have more amenities, “custom” interior finishes, etc. On the other hand, Class C units tend to be in fair to poor condition. The location of these units are generally in marginal locations. The disparity in rent is reflective of the classification.

All of the two- and three-bedroom apartments available -- the units that would be most suitable for a family of four -- were affordable to a moderate-income family. For households that earned only 60 percent of AMI, however, only 19.5 percent of the units were affordable; all of these had two bedrooms and one bath, and might not be appropriate for a household of four. The situation worsens with lower incomes.

Table 9-17
Rentals on the Market w/in Income Levels*

Income Level	Monthly Rents	% of the Units
80% of AMI	\$591 to \$830	79.3%
60% of AMI	\$471 to \$590	19.5%
50% of AMI	\$230 to \$470	0.2%
30% of AMI	Less than \$230	0.0%
Total Below 80% of AMI		99.0%
Above 80% of AMI	Greater than \$830	1.0%
	Total	100.0%
*Note: Based on Units with at least 2 Bedrooms, 1 Bath, the minimum suitable for a family of four.		

Table 9-18
Comparison of Rental Rates, June 2002
Murray Area and Salt Lake County

Unit Type	Murray Average Monthly Rent	Salt Lake County Average Monthly Rent	Murray's Average Monthly Rent as a Percentage of Salt Lake County
Studio	\$477	\$420	113.6%
One Bedroom	\$569	\$569	100.0%
Two Bedroom/ One Bath	\$641	\$631	101.6%
Two Bedroom/ Two Bath	\$735	\$775	94.8%
Three Bedroom	\$833	\$843	98.8%
Source: EquiMark Properties; Wikstrom Economic & Planning Consultants, Inc.			

As Table 9-18 indicates, generally rental rates in Murray are either almost the same or lower than the County for all apartment types except for studios.

Across the Salt Lake Valley, the rental market has seen consistent price increases. Depending on the apartment size, since 1994 there has been an average annual rent increase of between 0.88 and 2.49 percent over and above inflation, which has increased at an AAGR of 2.6 percent from 1994 to 2001. Table 9-19 below summarizes apartment rental rate trends in the Salt Lake Valley for the period 1994 to 2001.

Table 9-19
Salt Lake Area Apartment Rental Rate Summary, 1994 to 2001
(Adjusted to 2002 Dollars)

	1994	1995	1996	1997	1998	1999	2000	2001	Average Annual Increase '94-'01	Total % Increase '94 to '01
Studio	\$404	\$419	\$375	\$421	\$429	\$443	\$440	\$430	0.88%	6.30%
One Bedroom	\$483	\$504	\$480	\$555	\$565	\$579	\$581	\$574	2.49%	18.79%
Two Bdrm One Bath	\$568	\$590	\$576	\$618	\$629	\$649	\$647	\$639	1.69%	12.47%
Two Bdrm Two Bath	\$679	\$698	\$703	\$715	\$728	\$792	\$791	\$787	2.14%	16.02%
Three Bedroom	\$744	\$767	\$768	\$827	\$843	\$883	\$874	\$869	2.23%	16.72%
Source: Apartment Association of Utah (94-98), EquiMark Properties (99-01); Wikstrom Economic & Planning Consultants										

Rent increases are highest for one-bedroom units and lowest for studio apartments; two-bedroom, two-bath and three-bedroom apartments have seen about the same rate increases over the time period.

Vacancy rates have consistently increased from a low of 2.8 percent in 1993 with the exception of 2000 when the rate dipped to 6.3 percent. Salt Lake County's June 2002 vacancy rate of 9.3 percent is the highest the County has seen since 1988. These high vacancy rates are attributable to several factors.

Among them are: relatively high unemployment rates, a large amount of former Olympic housing now on the market, and consistently low mortgage rates, which allow many people to switch from renting to home ownership⁸.

Analysis

Meeting the Current Requirements of
Section 10-9-307 of Utah Code

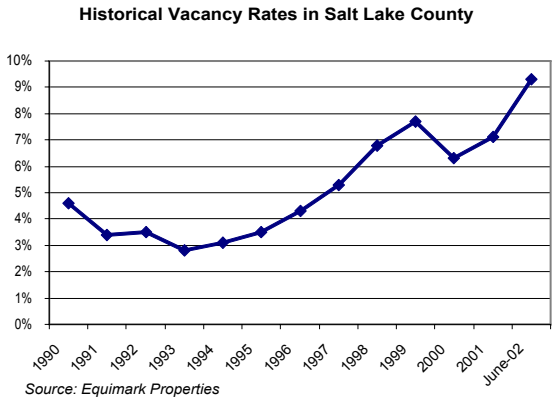


Figure 9-5: Historical Vacancy Rates in Salt Lake

With the descriptions of current supply and current costs laid out in the housing element thus far, the analysis is now at a point to discuss how housing that is currently available in Murray relates with housing that is required under Section 10-9-307 of Utah Code. The analysis demonstrates that the City is easily meeting the requirements of Section 10-9-307 of Utah Code, and draws comparisons of affordability to other cities and to the County. However, the section suggests that such affordability may not last given the rising costs identified in both the single-family and multi-family markets.

Demand for Affordable Housing

The pricing data indicate that the City of Murray easily meets the requirements for affordability under Section 10-9-307 of Utah Code. At 80 percent of median family income, the moderate-income household with an annual gross income of \$45,750 can afford to rent in the City. With a thirty-year mortgage at current interest rates, the same household can afford to live in the City as a whole, Table 9-20 below summarizes the current housing cost information alongside the affordability requirements determined at the beginning of the housing element. Note that rental information could not be broken down on a geographic level; the information provided is for owner-occupied units only.

Table 9-20
Home Purchase Comparison,
Affordable and July 2001-July 2002 Market Rates

Areas	Home Purchase		
	Home Price Affordable at 80% AMI:	Market Price	Difference
City	\$168,063	\$160,000	\$8,063
Source: Wasatch Front Multiple Listings Service; Wikstrom Economic & Planning Consultants, Inc.			

The intention of Section 10-9-307 of Utah Code is to ensure that a reasonable opportunity exists for people with moderate incomes to live in the community of their choice. This reasonable opportunity clearly exists in Murray on the basis of the pricing data.

Comparisons of Affordability

The reasonable opportunity to moderate-income housing also exists in Murray in comparison to levels of housing affordability in nearby communities and in the County as a whole. Housing affordability can be assessed generally by the ratio of median home price to median income. The table 9-21 below

⁸ Source: EquiMark Properties: Greater Salt Lake Multi-family Report, July 2002

demonstrates the affordability of housing using this ratio. An increase in the ratio signals a *decrease* in affordability.

Table 9-21
Housing Affordability Comparisons, (1990), 2000

Community	Home Price 2000	Income 1999	Affordability Ratio 2000	Affordability Ratio 1990
Murray*	\$159,200	\$45,569	3.49	2.56
Midvale	\$141,600	\$40,130	3.53	2.73
Taylorsville	\$114,600	\$45,711	2.51	1.68
Holladay	\$273,100	\$66,468	4.11	n/a
Salt Lake City	\$153,300	\$36,944	4.15	2.92
Salt Lake County	\$157,000	\$48,373	3.25	2.34
Utah	\$146,100	\$45,726	3.20	2.33
United States	\$119,600	\$41,994	2.85	2.61

Source: U.S. Census Bureau; Wikstrom Economic & Planning Consultants, Inc.
*Note: The figures for Murray are prior to the Chevy Chase & South Cottonwood annexations.

In comparison to affordability ratios for local communities, and the County, Murray provides a more than reasonable opportunity for housing choice. While Murray’s affordability ratio was less than the national ratio in 1990 it is now much greater. As Table 9-21 shows, this increase has affected the entire region. Salt Lake County as a whole is now much less affordable than it was in 1990 while the nation is only slightly less affordable. Murray’s decrease in affordability is the result of a divergence between income and house price. While inflation adjusted income has grown at an AAGR of 1.6 percent from 1990 to 2000, the median house price has climbed at a much faster rate of 5.0 percent per year over the same period.

Housing Affordability in the Future

The data indicate that although Murray is considered affordable in relation to its neighbors presently, it has seen a decrease in affordability over the past decade. This is troublesome for the future of affordability for single-family homes into the next century.

Single-Family Home Affordability

The affordability of single-family homes in the City is the most critical part of the plan. Figure 9-6 indicates the rates at which home costs have out paced increases in income, during the period of 1989 to 1999. As noted in the discussion of income above, this discrepancy is particularly problematic for those at or below Murray’s actual median income of \$45,569 (not the Salt Lake MSA median income); for these households, income growth after adjusting for inflation was only 1.6 percent annually, compared to housing cost increases of 5.0 percent annually after inflation adjustment.

Multi-Family Affordability

Rent differences between that possible for a \$45,750 annual gross income and available apartments are \$125 to \$229 per month, for a 3-bedroom and 2-bedroom/1-bath, respectively. At this rate, affordability into the future can be predicted:

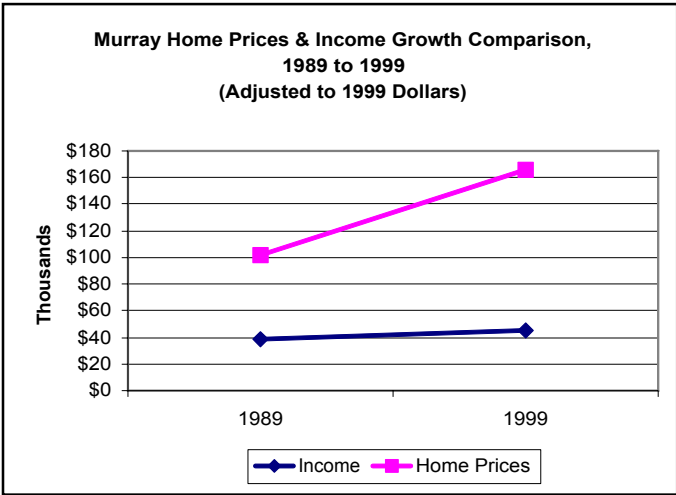


Figure 9-6: Murray Home Prices and Income Growth Comparison

Table 9-22
Projected Increases in Market Rents and Affordable Rents for 80% of AMI

Year	Maximum Affordable Rents Increasing at 2.6 Percent Per Year	Market Rent Projections		Difference	
		Increasing at 4.3 % Per Year	Increasing at 4.9 % Per Year		
		2 Bedroom	3 Bedroom	2 Bedroom	3 Bedroom
2002	\$1,035	\$641	\$833	\$394	\$202
2005	\$1,118	\$727	\$962	\$391	\$156
2010	\$1,271	\$898	\$1,221	\$373	\$50
2012	\$1,338	\$977	\$1,344	\$361	(\$6)
2015	\$1,445	\$1,108	\$1,551	\$337	(\$106)
2020	\$1,643	\$1,368	\$1,971	\$275	(\$328)
2025	\$1,868	\$1,688	\$2,503	\$180	(\$635)
2030	\$2,124	\$2,084	\$3,179	\$40	(\$1,056)
2032	\$2,235	\$2,267	\$3,499	(\$31)	(\$1,263)
2035	\$2,414	\$2,572	\$4,039	(\$157)	(\$1,624)

Source: Wikstrom Economic & Planning Consultants, Inc.

Table 9-22 above illustrates a projection for multi-family housing affordability. If rents continue to escalate at 6.4 percent per year and income growth parallels the Consumer Price Index (2.8 percent annually) the difference between "affordable" and market rents would be eliminated in roughly five to ten years.

As noted above, however, a significant portion -- about 28 percent -- of Murray’s households earns less than \$34,320 (60 percent or below AMI). These residents could afford to purchase a home that costs no more than \$121,632, and to rent an apartment that cost no more than \$749 per month. For these residents, home ownership is already difficult (with only 23 percent of homes being sold at that price in the past year). Affordable apartments are increasingly difficult to find; currently there are no affordable apartment units at the average rent price of \$603 for a two bedroom and \$707 for a three bedroom. However, there are units that are affordable to this population but these units tend to be in Class C or lower grade Class B projects.

Table 9-23
Projected Increases in Market Rents and Affordable Rents for 60% of AMI

Year	Maximum Affordable Rents Increasing at 2.6 Percent Per Year	Market Rent Projections		Difference	
		Increasing at 4.3 % Per Year	Increasing at 4.9 % Per Year		
		2 Bedroom	3 Bedroom	2 Bedroom	3 Bedroom
2002	\$749	\$641	\$833	\$108	(\$84)
2005	\$809	\$727	\$962	\$82	(\$153)
2010	\$920	\$898	\$1,221	\$22	(\$302)
2012	\$968	\$977	\$1,344	(\$8)	(\$376)
2015	\$1,046	\$1,108	\$1,551	(\$62)	(\$506)
2020	\$1,189	\$1,368	\$1,971	(\$179)	(\$782)
2022	\$1,251	\$1,488	\$2,168	(\$236)	(\$917)
2025	\$1,352	\$1,688	\$2,503	(\$336)	(\$1,151)
2030	\$1,537	\$2,084	\$3,179	(\$547)	(\$1,643)
2032	\$1,618	\$2,267	\$3,499	(\$649)	(\$1,881)
2035	\$1,747	\$2,572	\$4,039	(\$825)	(\$2,291)

Source: Wikstrom Economic & Planning Consultants, Inc.

Special Needs Housing

Affordable housing is an issue for special needs groups as well as for the population at large. The lack of affordable housing, and particularly of affordable housing targeted to those at or below 50 percent of AMI, is a major cause of homelessness. Affordable housing targeted at very-low-income households must be rental housing; many families trying to survive on \$17,150 -- or even \$28,600 a year simply cannot qualify for homes. There are 21.4 percent of the households in Murray that are below 50 percent of AMI. It is estimated that in 2000, 13.7 percent of all Murray households -- 1,733 households -- earned \$28,600 or less and also paid 30 percent or more of their income for housing (See Table 9-4).

Homelessness Prevention

Additional emergency rental and utility assistance, pre-purchase workshops and foreclosure counseling, and legal advice to those faced with eviction or foreclosure are essential. In addition, programs that provide assistance in home repair or rehabilitation can ease the financial burdens on homeowners.

Specialized Housing for Homeless Families and Families Transitioning out of Homelessness

There is a lack of affordable housing for people to move into when emerging from homelessness. There is a trend towards providing decentralized, neighborhood-based transitional housing, which gives a more supportive environment to families and individuals.⁹ Such housing, which should include supportive services and case management, can be smoothly integrated into neighborhoods with careful planning and coordination among service providers and the City. There are no estimates for Murray as to the number of additional transitional housing that is necessary.

Elderly Housing

In 1998, the Mayor’s Blue Ribbon Commission found that seniors who live in Murray would like to continue to do so even if circumstances require that they move out of their homes. Unfortunately, there is a lack of senior housing in Murray. The need for senior housing is real. According to the 2000 census, 4.2 percent of all Murray households were headed by persons 65 years of age or older who were paying 30 percent or more of their household income for housing -- this is 458 elderly households. Of these households, 64.4 percent owned their homes and the remaining 35.6 percent rented. Currently there are no assisted units targeted for the elderly population. Assisted units for the elderly, as well as programs such as the Home Repair Program can help to keep the elderly in affordable housing. The Blue Ribbon Commission strongly recommends further research, study, and dialogue on the City’s role in promoting development of smaller, one level homes in Murray as the first stage of alternative/new housing where Murray seniors can move.

Filling the Gaps of Affordability

The housing analysis thus far has shown that Murray is fulfilling the requirements for affordability established under Section 10-9-307 of Utah Code. This said, the analysis also presents a cautious optimism in the future. The rising costs of homes will lessen the City’s affordability. How can these gaps in affordability be planned for and avoided? The following sections will seek to answer this question. First, a residential zoning analysis is conducted to examine if there are regulatory barriers in place that would limit affordability. Second, the current programs options available are examined to encourage affordability into the next century.

Zoning

The Murray City zoning ordinance now provides for housing in 15 of its 17 zones. The city has a Euclidian zoning ordinance that generally separates commercial, industrial, and residential uses, yet still allows for mixtures of uses such as residential and commercial or residential and industrial. The major functions of the code are to establish densities, building height and (by implication) mass, and in some cases establish parking requirements.

Does Murray’s Zoning Encourage Affordable Housing? In order to create affordable housing, one needs to be able to take advantage of economies of scale. One means is to reduce the land cost per unit through building more units on a piece of land (increased density) or allowing for smaller lots (smaller minimum lot sizes or reduced yard requirements). Other economies can be achieved through more efficient use of labor, as occurs in manufactured housing, or reduced foundation expenses and unit size (mobile homes). Another way to increase affordability opportunities is to designate a sufficient amount of the City’s land area in zones that encourage affordability. An ordinance could provide for affordability in a specific zone, but severely limit the amount of land devoted to this zoning district; this would be contrary to promoting affordability.

The Murray code generally meets these requirements by providing for a fairly broad range of densities (up to 25 units per acre), allowing for relatively small lot development (6,000 SF lots) and providing for manufactured housing and mobile homes, albeit in one limited zone. The City has designated a large portion of its land area to the R-1-8 zone, which allows roughly five units per acre. The relative affordability of this zone will be discussed below.

A community’s zoning ordinance can impact affordability of units if it establishes lot-size or home-size requirements that do not allow housing to be built at affordable levels. This occurs where minimum lot size, coverage and side, front and rear yard requirements result in land and construction costs that exceed the affordability targets. For example, looking solely at minimum lot-size requirements, communities that require 10,000 square foot (SF) lots have established a base lot price for the area of \$45,200 (using current lot prices per SF of \$4.52). The lot price is typically 20 to 25 percent of the total finished home price. Using this guide, the 10,000 minimum lot-size requirement assumes a total house cost/value of \$180,800 to \$226,000. Households earning 80 percent of AMI can only afford, with a maximum mortgage payment of \$1,035, the purchase of a lot and house for no more than \$168,032.

The analysis of zoning and its influences on affordability can be further complicated by side and rear-yard requirements or coverage requirements that establish a minimum footprint size for the home (see Figure 9-7). Murray has minimum lot-size, maximum lot coverage and minimum yard-size requirements for each of its residential zones.

The analysis completed has assumed that the developer will build the maximum building footprint based on the minimum yard size requirements to take full advantage of any economies of scale afforded by the zoning requirements (by maximizing building size-to-land cost ratio).

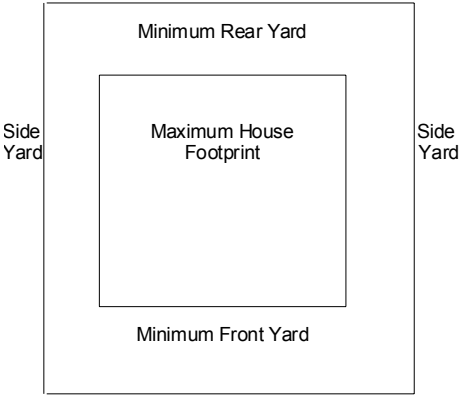


Figure 9-7: Zoning Setback Requirements

⁹ See Crusade for the Homeless’ “Information Packet.” 515 East 100 South, Ste.#2, Salt Lake City, UT.

Table 9-24
Analysis of Affordability Based on Lot Coverages and Minimum Sizes

	R-1-6	R-1-8	R-1-10	R-1-12	R-1-14	R-1-20
Minimum Lot Size (SF) per DU	6,000	8,000	10,000	12,000	14,000	20,000
Max. Lot Coverage	0.40	0.35	0.35	0.35	0.35	0.3
Maximum Building Size	2,400	2,800	3,500	4,200	4,900	6,000
Lot Price (Based on \$4.52/SF)*	\$27,120	\$36,160	\$45,200	\$54,240	\$63,280	\$90,400
Total Unit Cost (Maximizing Site)	\$387,120	\$456,160	\$570,200	\$684,240	\$798,280	\$990,400
Lot Price as % Total Unit Cost	7%	8%	8%	8%	8%	9%
Minimum Building Size (Lot = 20% Total Cost)	1,446	1,928	2,410	2,892	3,375	4,820
Estimated Minimum Total Unit Price	\$135,570	\$180,760	\$225,950	\$271,140	\$316,405	\$451,900
* The lot price per sq. foot value came from the Salt Lake County Assessor's data on residential land values						

Using the maximum house footprints possible in each zoning type, construction, and land costs for new construction are assessed to determine whether new construction could meet the affordability targets established as part of this analysis. The \$75 per square foot construction figure estimated by Wikstrom Economic & Planning Consultants, Inc., is the absolute minimum possible, including site development and financing costs. This information is summarized in Table 9-24.

As can be seen, based on the estimated Minimum Total Home Price row, there are opportunities for providing the affordable housing required under Section 10-9-307 of Utah Code within the existing R-1-6 zoning designation. This assumes that the developer will build to the minimum, and not the maximum, which in some cases is a fair assumption. However, Section 10-9-307 compliance is not achieved with current zoning using the Maximum Unit Price information; this is important to bear in mind because it would establish what could be done, if the home size were maximized based on current zoning language.

Zoning Recommendations to Increase Support for Affordable Housing

There are some minor changes that could be made to the ordinance to become more supportive of affordable housing development. These are outlined in the remainder of this section.

- Allowing Housing in All Zones
Currently, residential uses are permitted in all zones except for open space (OS) and hospital zones. The hospital zoning does allow for conditional housing use. The table below summarizes the zones and allowable housing types within each one.

Table 9-25
Summary of Permitted (X) and Conditional (C) Housing Uses in Murray City
Zoning Districts

	Single-Family Housing	Single-Family - Attached	Duplex	Multi-Family Housing	Low-Rise Multi-Family	High-Rise Multi-Family	Mobile Homes
A-1	X						
R-1-6	X	C					
R-1-8	X	C					
R-1-10	X	C					
R-1-12	X	C					
R-1-14	X	C					
R-1-20	X	C					
R-M (10 units)	X	C	X	C	C		
R-M (15 units)	X	C	X	C	C		
R-M (20 units)	X	C	X	C	C	C	
R-M (25 units)	X	C	X	C	C	C	
R-M-H							X
C-N-C	X	X	X	C	C		
C-D-C	X	X*, C	X	C	C	C	
M-G-C	X	X*	X	C	C	C	
G-O	X	X*	X	C	C		
O-S							
H					C		
* = Single Family attached to non-residential only Source: Murray Zoning Ordinance and Wikstrom Economic & Planning Consultants, Inc.							

• Density Bonuses

The Murray Zoning Ordinance currently allows density bonuses in multi-family zones for meeting urban design/neighborhood compatibility, energy efficiency, structure design, landscaping, building materials, and parking facilities criteria (§ 17.116). There is no current provision for bonuses if the project includes affordable housing. It is recommended that § 17.116 of the ordinance be expanded to include the following paragraph and table:

G. Affordable Housing. Murray City encourages affordable housing development within its boundaries. Density bonuses will be allowed up to the maximums defined in the specific chapters as follows:

Table 9-26: Affordable Housing Density Bonuses

	1 Unit/Acre Increase	2 Units/Acre Increase	3 Units/Acre Increase
Affordable Housing	<ul style="list-style-type: none">20 percent of the units will be affordable to people making 80 percent or less of median income. Units will remain affordable for 25 years.	<ul style="list-style-type: none">20 percent of the units will be affordable to people making 60 percent or less of median income. Units will remain affordable for 25 years.	<ul style="list-style-type: none">20 percent of the units will be affordable to people making 60 percent or less of median income. Units will remain affordable for 50 years

- Flexible Parking Requirements
The zoning ordinance establishes minimum parking requirements for multi-family housing. As a base, the code requires 2 stalls per unit for one and two bedroom units and 2.5 stalls per unit if the unit has 3 or more bedrooms. It is also required that at least one of these parking stalls be covered. Parking adds to the cost of housing; a basic surface stall generally costs \$3,000, a carport is around \$4,000, and a parking garage averages between \$12,000 and \$15,000 per stall. If these costs can be reduced, the housing can be made more affordable. If the development includes affordable housing and if the development is located near to public transportation, the City should reduce the parking requirement to one stall per unit. In order to further this objective, the City should attempt to zone land surrounding LRT stations as medium to high-density residential use and also provide for reductions in parking requirements.
- Allocation of More Land to Smaller-Lot Zones
While this may be difficult to achieve because the city is fairly “built-out,” more land devoted to R-1-6 zoning would expand the opportunities for future affordability in new development.

Available Housing Programs

There are a variety of housing programs available to help maintain the City’s present affordability, which will also be important in the future as the City’s affordability decreases. Municipalities are encouraged to utilize the programs offered by the Utah Housing Corporation and the Department of Community and Economic Development to assist in establishing and maintaining the requirements set forth for affordable housing by Section 10-9-307.

Program Options by Population Served

Preserving the Existing Stock

The **Home Repair Program** is available to homeowners that do not have enough income to fix up or maintain their home’s integrity. This program targets low to moderate-income homeowners who receive less than 80 percent of the median family income. The program is currently supported by the Housing Services of Utah Valley and historically has funded 2 to 3 projects annually in Murray City. Loans are issued to selected applicants up to \$15,000 for up to 20 years at 0 to 3 percent interest. The Home Repair Program is tailored to the community as a revolving loan fund that now receives the support of local banks, meaning that it is likely to continue rehabilitating neighborhoods even in the event that federal funds dry up.

The **Community Development Block Grant (CDBG)** program is a federal entitlement grant program for urban communities seeking to revitalize neighborhoods, improved community facilities, prevent and eliminate slums, aid low- and moderate-income families, and promote economic development.

One recommendation to ensure that CDBG funds are spent efficiently and according to the will of the citizens is to follow the example of other towns, which set up a Community Development Advisory Committee Board (CDAC) to establish priorities and policy on CDBG spending. Often groups such as the Utah Food Bank or low-income housing rehabilitators submit applications for projects to be funded with CDBG monies. It would be an important role of the CDAC board to recommend for or against such applications. It is important to establish a policy of funding housing programs with CDBG funds. In addition, a CDAC board could ensure that funds are spent only in low-income areas, and in this way account to the federal CDBG providers.

The **HOME, Investment Partnership Acts** were established to develop and support affordable rental housing and home ownership mainly through the rehabilitation of existing units rather than new construction targeting low and very low-income households. This grant program is flexible in allowing

participating jurisdictions to decide the most appropriate use of money in their communities. The program requires that at least 90 percent of the rental assistance be targeted to households with incomes no higher than 60 percent of the area median. Participating jurisdictions are required to match 25 percent the federal funds used.

Assisted
Low Income Housing Tax Credits (“LIHTC”)

The federal government has developed a program to encourage the construction, rehabilitation and preservation of rental housing for very low, low and moderate-income households, which makes approximately \$3.9 million available annually to the State of Utah. The LIHTC program is administered by the Utah Housing Corporation (UHC), which determines the amount of tax credit available to applicant projects and operations and on the percentage of the project that will be restricted to low income tenants. The UHC establishes maximum rents in accordance with HUD standards and future rental increases will be based on increases in the cost of living as reflected in HUD income guidelines. A minimum of 20 percent of the project’s units must be set aside for tenants with income less than 50 percent of the median income for the area or a minimum of 40 percent of the units must be reserved for tenants with incomes less than 60 percent of the area median income. Projects receiving LIHTC must maintain the status as a low-income project for a minimum of 15 years.

The LIHTC program provides a credit equal to 9 percent of the construction cost for new construction or substantial rehabilitation for projects which do not use other federal assistance and a 4 percent credit for acquisition of existing projects and for those projects which use other federal subsidies (CDBG excluded). Credits are claimed annually for ten years. The credits may be used by the owner of the property or sold through syndication.

Section 8 Existing Housing Certificates and Vouchers. The Section 8 program is administered by local housing authorities and funded by HUD. It provides rental payments and assistance to very low income and elderly persons. Rental assistance payments are made directly to private owners who lease their units to assisted families. The tenant is only required to pay 30 percent of his or her monthly-adjusted gross income for rent and the federal government pays the balance of the contract rent to the owner of the rental unit. The contract rent is based on the Fair Market Rent (FMR) established by HUD for the area. Program participants may not rent units whose rents exceed the FMR.

The table 9-27 below lists the Fair Market Rents applicable in Murray for the Salt Lake City - Ogden metropolitan statistical area. (Note that these rents should not be confused with either the 80 percent affordable rents or with the current market rents described previously. Rather, these are the maximum rents for apartments rented under the Section 8 Voucher program; HUD will reimburse the landlord for up to 70 percent of these amounts (e.g. In 2003, HUD will pay up to \$520.80 toward the rent on a two bedroom apartment).

Table 9-27
U.S. Department of Housing & Urban Development
Fair Market Rents for Salt Lake City - Ogden MSA

	0 Bedroom	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms
Fiscal Year 2001	\$475	\$550	\$698	\$971	\$1,138
Fiscal Year 2002	\$490	\$568	\$721	\$1,003	\$1,175
Fiscal Year 2003	\$506	\$586	\$744	\$1,036	\$1,213
Source: HUD; Wikstrom Economic & Planning Consultants, Inc.					

Special Needs

Section 202 Loans for Housing the Elderly. The HUD Section 202 program offers capital advances to finance construction and rehabilitation of structures to serve as supportive housing for very-low-income elderly persons. It also provides rent subsidies to help make the projects affordable. If the project serves very-low-income elderly persons for 40 years, the capital advance does not need to be repaid

The **Olene Walker Trust Fund** and the **McKinney-Vento Fund**. The Olene Walker Housing Loan Fund is comprised of state appropriations and federal funds to provide loans at below-market interest rates for the construction of affordable housing. The majority of projects built using this fund are multi-family. While the majority of the fund is used for loans, a small amount (5 percent) of the fund is available for grants. McKinney-Vento Programs, administered by HUD, provide assistance for transitional housing including advances or grants for acquisition or rehabilitation of existing structures, and annual payments to help cover operating expenses, or technical assistance in establishing and operating transitional housing. Rental assistance for homeless people with disabilities is also offered.

Home Ownership

FirstHome is a home ownership assistance program offered by the Utah Housing Corporation (UHC). First time homeowner loans are available at below-market interest rates for qualifying applicants. The maximum purchase price may not exceed the price limits set by UHC. Currently the price limit is \$155,000. Since the average price of a single-family home in Murray is \$160,000, it is vital to maintain the affordability of the existing housing stock or else the homes in the city will not qualify for this program.

CHAMP is also another home ownership assistance program offered by the Utah Housing Corporation. The CHAMP loan offers down payment and closing cost assistance in the form of a second mortgage that is equal to four percent of the mortgage amount.

CROWN is a lease-to-own program developed by the Utah Housing Corporation (UHC) to bring home ownership within reach of very-low-income households that are willing to make a long-term commitment to the community. CROWN creates permanent home ownership opportunities by utilizing Low Income Housing Tax Credits to construct new, single-family detached homes that are both durable and affordable. Lease payments last until the fifteen-year tax credit period expires. At this point, residents have the option of purchasing the home at a very attractive price through a low-interest UHC mortgage loan.

The qualified low-income residents who become homeowners through the CROWN program are also eligible then to receive training in the areas of housekeeping, home maintenance, and basic budgeting.

Summary of Programs

As described above, there are numerous programs available to encourage the development and preservation of affordable housing at all income levels. Homeownership programs are well established, and support should continue to expand. The Home Repair Program and HOME Investment Partnership Act are important resources for moderate and low-income homeowners, and CDBG funds can be used to assist these homeowners as well. In addition, the Utah Housing Corporation provides homeownership assistance through below market loans (FirstHome), down payment and closing cost assistance (CHAMP), and lease-to-own housing supported by Low Income Housing Tax Credits (CROWN).

Multi-family housing programs are also available to the City of Murray. While the assisted housing in Murray has dropped to only seven units for very-low-income households, there are still Section 8 Certificates and vouchers. In addition, the Low Income Housing Tax Credit program can also be used to support construction of rental housing.

Finally, special needs funds programs are available. HUD has special loans for the construction of rental and cooperative housing for the elderly and handicapped. In addition, funds are available under the Olene Walker Trust Fund (with emphasis on housing for the elderly) and the McKinney-Vento Fund (with emphasis on transitional housing).

Financial Resources for Affordable Housing Development

The potential sources of funding for housing include the general fund, CDBG (discussed above) and RDA housing monies. The general fund is essentially drawing upon the existing resources of the community and reallocating some of these resources to housing. The CDBG also would require some reallocation of funds from infrastructure needs to housing. RDA housing monies would be a new source of funds that would become available should the proposed RDA project area be approved and adopted. City staff estimate that this pool of money could be as large as \$3 million over the lifetime of the RDA.

Recommendations

The City of Murray is currently meeting the full requirements for housing affordability as established under House Bill 295. Across the City, there are many opportunities for families with moderate-income levels to live in both rented and owned residential units. Rent levels appear to be low enough to offer continued affordability over the near term. At current rates of rent and income increases, rental units should remain affordable in the City for the next five to ten years. There is cause for concern, however, that ownership of single-family homes may become too expensive for moderate-income households in the coming years if housing price increases continue to outpace increases in income levels. Although housing in the City is currently affordable, measures need to be taken to ensure that affordability will continue into the future.

Home ownership opportunities for low and moderate-income families should be promoted. Home ownership is not only good for neighborhoods; it is also the primary wealth-building tool for many households. Equity will be accrued from the down payment, the principal payments and from home price appreciation, and for low and moderate-income homeowners; this equity could represent their largest single asset.

Home ownership programs will target families and individuals whose income is below 80 percent of the median family income, and assistance can come in the form of down payment assistance or short-term construction loans. The Salt Lake Community Development Corporation (CDC) initiated a program with a number of communities to provide \$2,000 down payment loan/grants to qualifying families. This organization should be contacted to determine if Murray CDBG monies could be channeled through the CDC. Alternatively, Murray could establish its own organization to administer a similar program. The CROWN program administered by the Utah Housing Corporation is another program that should be pursued for Murray residents. While developing programs, attention should be paid to minorities and special needs groups. The analysis of current occupancy by race shows that minorities are far more likely to be renters than their total population distribution would predict.

Affordable rental units are critical in providing housing opportunities for moderate and low-income families. The City should maintain a reasonable stock of rental housing and work to assist in the maintenance of existing, affordable housing units.

The preservation and rehabilitation of the current housing stock (rental and owner-occupied) will also be an important way to help keep housing affordable. A goal of 300 units rehabilitated before the year 2002 could make a great impact. There are various programs available to the City to assist with home rehabilitation

efforts. The HOME consortium and the Home Repair Programs will be important to help people under 80 percent of median family income preserve the quality of their home investments.

Additionally, the City has Community Development Block Grant funds to manage and invest into low and moderate-income areas. While infrastructure is important for community building, some portion of the CDBG budget should be targeted toward housing programs. The funds should be spent in all CDBG-eligible areas.

RDA housing monies could become available to the community with the redevelopment of the old smelter site. The community is encouraged to target the 20 percent of total tax increment for housing affordability programs.

Currently, Murray has no special needs housing (defined as subsidized housing for elderly, the disabled, the homeless, etc.). In future planning, housing for these populations should be considered, encouraged, and provided wherever possible.

Finally, residential zoning should be monitored to ensure that it becomes no more of a regulatory barrier to affordability. The zoning should provide flexibility to developers seeking to meet affordability targets.

Goals and Policies

Goal: To maintain conformance of the Murray City Zoning Ordinance with current Utah State law, and integrate policies of the 2002 General Plan.

Policy: To rewrite the Murray Zoning Ordinance to achieve a more workable and current ordinance that supports the General Plan.

Implementation Measure: Modify the Official Zoning Map to reflect the zoning changes illustrated in Map 2-7.

Goal: To ensure that housing affordability targets are met in the future.

Policy: Monitor housing price increases versus increases to income levels.

Implementation Measure: The City of Murray is currently meeting the full requirements for housing affordability as established under House Bill 295. There are opportunities for moderate-income families to own residential units and rental units should remain affordable in the City for the next five to ten year. There is cause for concern, however, that ownership of single-family homes may become too expensive for moderate-income households in the coming years if housing price continues to increase faster than income level. The City needs to set plans for maintaining a number of affordable housing units into the future.

Goal: To make home ownership an option for medium to low-income families.

Policy: Make use of existing home ownership programs or establish a new program for the City. Promote home-ownership opportunities.

Implementation Measure: The Salt Lake Community Development Corporation ("CDC") currently has a program providing \$2,000 down payment loan/grants to qualifying families. This organization should be contacted to determine if Murray's CDBG monies could be

channeled through the CDC. The CROWN program, administered by the Utah Housing Corporation, should be pursued for Murray residents. Special attention should be paid to minorities and special needs groups. The analysis shows that minorities are far more likely to be renters than their total population distribution would predict.

Goal: To keep rental opportunities available for moderate to low-income families.

Policy: Maintain a number of affordable rental housing units.

Implementation Measure: Murray City should assist in the maintenance of existing, affordable housing units.

Goal: To keep housing affordable.

Policy: Preserve and rehabilitate the current housing stock.

Implementation Measure: Utilize the HOME consortium and the Home Repair Programs to help people under 80 percent of median family income preserve the quality of their homes.

Goal: To make more housing programs available.

Policy: Dedicate a part of the CDBG budget toward housing programs.

Implementation Measure: A portion of CDBG funds should be invested in all CDBG-eligible areas specifically for housing programs. Also, RDA housing monies could become available to the community with the redevelopment of the old smelter site. Murray is encouraged to target the 20-percent of total tax increment for housing affordability programs.

Goal: To provide special needs housing.

Policy: Include special needs housing in future planning.

Implementation Measure: Special needs housing (defined as subsidized housing for elderly, the disabled, the homeless, etc.) should be considered, encouraged, and provided where possible. Murray currently has no special needs housing.

Policy: Provide housing of all types that allow residents of all ages and incomes the opportunity to live in Murray City.

Implementation Measure: Recognize the aging population and sufficiently plan for the broad range of elderly housing that will be needed, from independent living to residential care.

Goal: To remove regulatory barriers to meeting affordability targets.

Policy: Allow for flexibility in residential zoning.

Implementation Measure: Establish a monitoring process to ensure that residential zoning does not hinder the city in meeting its targets for affordable housing. The zoning should provide flexibility to developers seeking to meet affordability targets.